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GERMAN PLANES HIT ENEMY AT ALENCON; LOIRE FRONT HOLDS

Vital War Targets Heavily Blasted—Chartres, Tours and Orleans Firmly Defended

Domei

BERLIN, August 13.—Two important American supply bases and traffic centers were subjected to large-scale German raids last night. Heavy German bombers, at dusk, flew over the Alencon sector and dropped numerous explosive and incendiary bombs on targets in Le Mele Sur Sarthe starting violent fires and explosions. A few hours later, German bombers appeared over Alencon and wrought destruction among the newly-brought up troops concentrations, tank formations and mechanized forces.

Germans Stiffly Resisting

The big pincer operation by the American and Canadian forces between Caen and Le Mans is becoming more apparent with new developments, but fighting under intense summer heat, the German grenadiers are putting up stiff resistance against numerically superior enemy forces and inflicting severe losses.

American tank and motorized infantry formations yesterday gained some ground northward while on the eastern bank of Orne the Canadian 1st army has concentrated all available offensive arms and a large-scale offensive shortly is expected.

The towns of Chartres, Tours and Orleans are still firmly held by the Germans and the Loire has not yet been crossed by the enemy at any place.

In the meantime, bitter fighting for St. Malo raged all day yesterday with increasing intensity. The German garrison there successfully held their own against all American mass attacks.

A strong American group temporarily entered the city, but the greatly outnumbered German defenders hurled themselves against the attackers and pushed them back after inflicting heavy losses.

Caen Front Still Holds

The enemy in the course of his numerous stubborn attacks has not succeeded in piercing the front sector between Caen and the town of Vire. All enemy reinforcements and supplies, therefore, must be directed through the narrow front gap of Avranches. This fact explains all the events on the invasion front. The enemy is making strenuous efforts to widen this penetration at Avranches to the east while the Germans are doing their utmost to prevent it. It is not surprising that the fighting on the western flank is raging with exceptional bitterness.

In the meantime, American tank formation, advancing from the area of Le Mans, turned toward the north and reached Alencon. One of the aims, pursued by them, is to cut off the German supply lines. The enemy is taking full advantage of his superiority in material. Drumfire, bomb-carpets and massed tank attacks are being pitted against the superior fighting morale of the German troops. On the other flank in the eastern front sector of Caen, Canadian divisions, supported by tremendous tank masses and furious drumfire, are trying to effect a break-through. The few dents, however, achieved by them, have been immediately sealed off by German counter-actions. It is true that the German command sometimes has to withdraw the German lines and that the enemy with his superior material masses is making certain gains. The question of prestige is no longer playing any part in the conduct of war. Regardless of prestige, both parties are solely aiming at reaching a final decision. The enemy know that geographical successes will have no influence on the issue of the war but that the war will be decided by the determination and tenacity of the troops only.

The fierce struggle, raging for St. Malo at present, apart from its practical significance by tying down two American divisions until the German counter-measures have been completed at other points has, moreover, a symptomatic meaning. The spirit of resistance, inspiring the defenders of St. Malo, characterizes the powerful will and determination of the whole German armed forces.

British Admit Loss Of Two Destroyers, Five Other Warcraft

Domei

LISBON, August 13.—The sinking of two British destroyers, three minesweepers, one patrol boat and one auxiliary patrol boat in European waters in the period between Sunday night and this morning was announced today by the British Admiralty. The names of the warships sunk follow: destroyers Isis and Quorn, minesweepers Magic, Cato and Pylades; patrol boat Ganilly, and the auxiliary patrol boat Lord Wakefield. The Isis was completed in 1937, while the Quorn was put into service in 1940.

ANGLO-U.S. DISCORD EXPOSED BY PRESS

Economist and Daily Mail Point Out Difference in Policy Toward Argentina

Special to the Nippon Times

LISBON, August 13.—The discord existing between the United States and Britain in regard to their policies toward Argentina was indicated in the editorials carried by the Economist and the Daily Mail which were recently reproduced by local newspapers.

The Economist asserts that the Americans are of the biased opinion that Britain is trying to drive out American influences from Argentina, while the British suspect that the American policy toward Argentina is directed toward obstructing the expansion of British prestige rather than removing Axis power from that country. The paper declares that the Argentine problem constitutes the most serious weakness in the Anglo-American relations.

The Daily Mail says that whereas United States Secretary of State Cordell Hull has made coercive statements toward Argentina like the one which the Soviets made against Poland, Britain, in view of her traditional friendly commercial relations with the South American Republic, cannot but entertain sympathy with her for her present condition. The journal warned that an economic sanction would only prove disadvantageous for the anti-Axis nations. It added that the 3,000 Argentine soldiers of British parentage who are among the ranks of the British forces are opposed to the steps recently taken by the United States.

LA FRONDA RAPS SCHEME FOR PAN-AMERICAN CONFAB

Asserts Argentina Will Lose Its Freedom if It Takes Part In Such a Parley

Domei

GENEVA, August 13.—Sharply rapping the suggestion of Sumner Welles, Former U.S. Undersecretary of State, for the holding of another Pan-American Conference to which Argentina should be invited, La Fronda warned that Argentina must not be taken in by such wiles. By participating in such a meeting, the journal declared, Argentina would be compelled to carry through the following six acts which under all circumstances she must avoid:

1. The Atlantic Charter would have to be heeded in every detail.

2. She would have to join the UNRRA, which would mean that she would lose control over all her foodstuff production and supplies.

3. She would have to pay 200,000,000 pesos in gold toward the world monetary fund although satisfactory proof has been given that she is able to stabilize her currency without outside assistance.

4. She would have to become a member of the International Board of Labor which would mean that her labor problems would be settled by Moscow.

5. She would have to place her education system under the control of the International Board of Education.

6. She would have to become a member of the International Bank which is controlled by the United States.

"We are rather tired of these conferences," La Fronda said.

Swedish Ship Sunk

Domei

STOCKHOLM, August 13.—The Swedish 2,860-ton steamer Naemdoe struck a British mine in the Elbe estuary and sank yesterday. All the crew were rescued.

JAPAN-RAIDING B-29 BLASTED AT HWAYIN BY 'SHOKI' FIGHTERS

U.S. Bomber Destroyed on Runway in Avenging Attack—2 P-40's Also Smashed

By I. IRIYE
Of the Military Press Corps

JAPANESE BASE ON CHINA CONTINENT, August 12.—A China-based "Shoki" Fighter Unit of the Japanese Air Force, yesterday, set ablaze and destroyed a B-29 bomber of the U.S. air force in a surprise raid on Hwayin air base in eastern Shensi Province.

The destroyed B-29 plane was parked on the runway at the airfield after making a forced landing there on its return flight to its base near Chengtu from the attack on the Japanese mainland on August 11.

The Japanese raiders also heavily damaged two enemy P-40 fighters which intercepted the attackers.

The B-29 bomber, which apparently had been hit and crippled by Japanese defense fire during its raid on the Japanese mainland, was forced down at Hwayin airfield, about 100 kilometers east of Sian.

Upon receipt of information from a Japanese reconnaissance plane, the "Shoki" fighters immediately headed for the Hwayin air base. Enemy fighters from nearby Sian airfield were awaiting to intercept the Japanese and a fierce dogfight followed above the airfield where the Japanese could see their objective—the B-29 that had raided the Japanese mainland—glittering in the sunlight as it lay parked on the runway. Two of the enemy B-40 fighters of the "NNN" type were destroyed.

The "Shoki" fighters boring in for the kill, unleashed fire from their automatic cannon on the grounded B-29 plane at close range of about 20 meters and immediately set it on fire. The remaining P-40's, thereupon, abandoned the destroyed B-29 and fled.

All planes of the Japanese "Shoki" Fighter Unit, returned safely to their base.

NIPPON UNITS SMASH BACK RAIDERS IN PACIFIC AREAS

One Plane Downed at Babo—Rabaul, Nauru Attackers Repulsed in Combats

Special to the Nippon Times

SOUTHWEST PACIFIC BASE, August 14.—Counter-attacking a formation of about 50 large-sized enemy planes that came attacking Babo on the western coast of New Guinea Island on the afternoon of August 12, Japanese Forces stationed there shot down one plane and repulsed all the others.

Rabaul Raid Attempted

Special to the Nippon Times

RABAUL, August 14.—Anti-Axis aircraft, consisting of fighters and bombers, totaling about 100 in all, attempted to attack our position in this area from early morning up to the noon on August 12.

Nauru Raiders Repelled

Special to the Nippon Times

CENTRAL PACIFIC BASE, August 14.—Japanese Forces stationed on Nauru Island gave fierce battle to a formation of 20-odd anti-Axis planes that attempted to attack the island yesterday afternoon. In the ensuing combat, all the enemy raiders were beaten off.

PAVOLINI SLIGHTLY HURT

Fascist Party Secretary Wounded in Fight Against Piedmont Bandits

Domei

BERLIN, August 13.—Alessandro Pavolini, Secretary of the Fascist Party, while commanding the "Black Shirt Corps" in mopping-up operations against bandit groups near Piedmont was wounded in the leg but was saved through an immediate surgical operation and is on the road to recovery, according to a Milan dispatch.

Concerning the "Black Shirt Corps," another Milan dispatch explained that their activities are not confined to political fields, but they also wield police power to stamp out subversive activities and to break up revolutionary groups. They also participate in military affairs.

The group presents a snappy outfit with its members wearing black caps, black shirts and khaki-colored pants and armed with automatic pistols and a sword.

His Majesty Grants Message to Fujihara Exhorting Him to Increase Air Arms Output

His Majesty the Emperor was pleased to receive Munitions Minister Ginjiro Fujihara in audience at the Imperial Palace at 10 a.m. on Monday and following Minister Fujihara's reports on the administrative affairs under his charge, granted a gracious message for increased production of air arms.

The Munitions Minister retired from the Imperial Palace at 10:50 a.m. greatly impressed by the Imperial Solicitude and transmitted the gracious Imperial Message to Munitions Vice-Minister Kakichi Takeuchi, Lieutenant-General Saburo Endo, Director-General of the General-Direction of Air Arms in the Munitions Ministry, and other directors and sectional chiefs of the same Ministry who assembled at the council room at 1 p.m. the same day.

Minister Fujihara said:

"Graciously solicitous for increased production of air arms, His Majesty the Emperor, since April this year, has been pleased to dispatch Imperial Aides-de-Camp several times to aircraft manufacturing factories. With the inspection of these plants by the Imperial Messengers finished as scheduled at the end of July, I proceeded to the Imperial Palace today and humbly expressed my gratitude to the Throne.

"His Imperial Majesty then granted me a gracious message urging those engaged in the manufacture of air arms to keep themselves fully alive to the present serious situation and to endeavor to achieve good results in their work by devoting their efforts to the execution of their duties with the heart and mind of the officers and men fighting on the battle fronts and by taxing their ingenuity. I was greatly impressed by the gracious Imperial Solicitude.

"Let us, therefore, make full efforts to increase production of air arms by keeping ourselves always alive to the gracious Imperial Solicitude, with peerless collaboration among ourselves and with the loyalty that marks the soldiers fighting on the fronts, thereby to meet His Imperial Majesty's expectations."

NEW REICH ARMS MAY APPEAR SOON

Attack on England by Rocket-Gun or V-2 in Several Weeks Rumored

Domei

ZURICH, August 13.—Another new German weapon, the rocket-gun or V-2, will reportedly make its appearance in a few weeks, according to a London dispatch to the Swiss Telegraphic Agency. In this connection, the Daily Mail quotes a certain Austrian rocket expert, who had surrendered to the anti-Axis, as saying that the rocket-guns may shortly attack England.

The London dispatch states as follows:

"After eight weeks since the Germans commenced their V-1 attack on London on June 15, it is still being continued. Its intensity appears to have somewhat decreased of late but military experts attribute this fact to fine weather when the German army purposely decreases the number of dynamite meteors in consideration of a comparatively high rate of the number of bombs being shot down by the British air force. Aside from this, attention is now centered on the German rocket-gun or V-2 which is rumored to appear in several weeks. According to the Daily Mail, a certain Austrian rocket expert, who had surrendered to the anti-Axis army, stated that rocket-guns may shortly attack England from western Germany or from southern France."

Increases V-1 Raids

Domei

BERLIN, August 13.—Competent circles here are drawing attention to the notable increase in V-1 attacks on London, the reason for which is said to be due to the fact that the production of the flying bombs has been increased and also because the missiles can be sent toward their targets with greater accuracy.

Leading technical circles stress that because of the rapid development of this secret weapon and its success it is difficult to make a definite statement today as to its future speed, range and the effectiveness of its explosive power. It was also stressed that V-1 attacks on Britain will continue to be increased.

REICH ARTILLERY STOPS FOE'S ADVANCE IN ITALY

Anglo-Americans Unable to Cross Arno River; British Repulsed Near Florence

Domei

BERLIN, August 13.—Major fighting developed only in the central sector around Florence yesterday on the Italian Front where after several hours of embittered fighting the British made some breaches into the German positions, for which fighting was waged into the night.

On the western wing, however, American and British forces were prevented from crossing the Arno River in the face of fierce German artillery fire.

The British brought up further formations to the northern bank of the Arno in the city of Florence but their attacks against the German lines in the northern part of the town were repulsed.

ROOSEVELT'S TALK DISSATISFIES YANKS

Cannot Say When War in Europe or Pacific Will End, Says President

Domei

LIBSON, August 13.—President Roosevelt in a nationwide radio speech from the deck of a cruiser in Puget Sound navy yard near Bremerton, Washington, shortly after his return from his inspection tour of the Aleutian and Pacific war bases, gave his listeners little satisfaction in what they wanted most to know—the length of the war, according to a Seattle dispatch.

Roosevelt declared, "I cannot tell you when the war will be over in Europe or in the Far East." He said that if the people on the home front continued to support the war effort by maintaining continued production of necessary supplies, ships and planes, the war would be over that much sooner.

He said that his talks at Pearl Harbor with General Douglas MacArthur, Commander-in-Chief of the anti-Axis forces in the southwestern Pacific and Admiral Chester Nimitz, Commander-in-Chief of the U.S. Pacific fleet, and other key commanders in the Pacific concerned mostly plans for the war in that area and future problems in the Pacific.

He pointed out that the Hawaiian islands had not lost their importance. They have served as bases for the battles on Guadalcanal and the Marshalls.

Turning to the importance of the Aleutians in the war in the Pacific, the President recalled that two years ago, due to lack of defense preparations even the American mainland was seriously threatened by the Japanese Forces. He explained, however, that preparations had now been made and "U.S. will not be threatened again from that region."

Continuing, he stated "we have no desire to ask for any possessions," but declared it would be of interest to America's allies to collaborate with the United States for the defense of Central and South Americas against attack from the south Pacific. In this connection, Roosevelt pointed out that there were hundreds of islands in the South Pacific owned by Britain and France.

FOE MOPPED UP IN HONAN

War Results for July Operations Revealed

Domei

LOYANG, August 12.—The XX Corps of the Japanese Forces carrying on mopping-up operations in Honan obtained the following composite war results in the month of July:

Number of battles fought, 16; enemy forces encountered, 3,550; prisoners taken, 192; enemy dead picked up by our side, 381; planes downed, one P-40 fighter. War trophies captured include the following: mountain-guns, three; shells for same, 227; heavy machine-guns, eight; light machine-guns, 14; trench mortars, three; automatic rifles, one; rifles, 448; rifle bullets, 1,490; revolvers, two; hand-grenades, 1,018, and other war materials.

HENGYANG FALL HITS ENEMY PLAN TO RAID JAPANESE MAINLAND

Group of Airfields Around City and in Southeastern China Made Useless

The recent fall of Hengyang, one of the most important bases for the American air force in China, not only rendered useless the group of enemy airfields around the city but also paralyzed the function of the Suichwan-Kanchow air bases and the Kweilin airfield group in Kiangsi and Kwangsi provinces respectively, for which Hengyang used to constitute the supply base.

The American air force in China, it may be recalled, was charged with three important missions at the time of the Cairo Conference: namely, (1) to carry out bombing raids on the Japanese mainland in concert with naval task forces, (2) to attack Japanese ships plying the China waters and the Yangtze River and especially to disrupt maritime traffic between Japan and the Southern Regions, and (3) to cooperate with the Chungking ground forces to gain air supremacy over China.

Military Strength Shifted

To fulfil these missions, the American air force in China, since April last year, has been endeavoring to strengthen the air bases in Southeastern China around Kweilin by shifting two thirds of its military strength to this area. The Americans established two advance air base centers, namely, the Hengyang airfield in Hunan Province which included the Lingling, Paoking and Changsha airfields, and the Suichwan-Kanchow air base group which comprised the airfields at Suichwan, Kanchow, Sincheng and Nanyung in Kiangsi Province.

In addition, the Americans assiduously endeavored to build up the Kienow airfield group as a base specifically designed for their projected air attacks against Tokyo.

The collapse of a part of a group of airfields, it is to be noted, inevitably results in the paralyzation of the whole air base group to which it belongs, and eventually jeopardizes the functioning of the great chain of airfield groups of which that particular group consists a part. Therefore, the fall of the Hengyang airfield group means the paralyzation of not only the Suichwan-Kanchow and Kweilin airfield groups but also the whole chain of enemy air bases in Southeastern China. It was natural, therefore, that, when the fall of Hengyang was imminent, the enemy high command should have ordered the decentralization of the Suichwan-Kanchow and Kweilin airfield groups to the strengthening of which he had devoted much energy since last fall. It was also natural that the American air force should have made frantic efforts to defend Hengyang against Japanese attacks, mobilizing as it did 80 per cent of its force for the defense of the strategic city during July. How frantically the enemy tried to check the total collapse of the Southwestern China air bases that might result from the fall of Hengyang is proved by the fact that due to the concentrated mobilization of the American air force in China for the defense of Hengyang, the hitherto continual and persistent air attacks on Japanese ships were suspended temporarily.

Enemy Hit Hard

Hengyang, moreover, not only constituted the center of supplying, communication and military direction for the airfield group around it but, of late, was being used as an important base for powerful fighter plane corps. Thus, along with Changsha from which the enemy collected scientific information from Kiukian, Wuhan and Yochow areas, this base greatly served to hamper Japanese operations. The great war results which the Japanese Air Forces in China achieved in their attacks on principal enemy air bases in Southeastern China subsequent to the occupation of Changsha and Hengyang airfields are attributable, to a large extent, to the collapse of the enemy's information-collecting system.

Moreover, Hengyang used to constitute a vital supply base for the Suichwan-Kanchow airfield group which was charged with the mission of attacking Taiwan and jeopardizing Japan's maritime transportation, and for the Kienow base which the enemy had planned to use as a base for air attacks on the Japanese mainland, especially on Tokyo, as well as for other air base groups east of the Canton-Hankow railway. It also constituted a vital supply base for land forces and was being prepared as a base for parachute troops, along with Kweilin and Liuchow, Kwangsi Province.

That the recent enemy raids have been limited, in their scale, to guerilla attacks on Manchoukuo, Chosen and Kyushu is attributable to the fact that the reduction of Hengyang has restricted the American air force's activities to the use solely of Chengtu airfield in Szechwan Province which is located at the greatest distance from Japan Proper.

The latest Japanese operation which was carried out against terrible odds including heavy rain falls, frightful heat and the difficulty in transportation of military supplies has been crowned with the significant result of successfully checking the enemy's attempted air attacks on the Japanese mainland from the Chinese Continent.

Nippon Planes Destroy 22 Aircraft in Attacks On Liangshan, Liuchow

Domei

CONTINENTAL BASE, August 13.—A formation of Japanese bombers and fighters, yesterday, damaged or set ablaze 22 enemy planes at the airfields of Liangshan and Liuchow. In the attack at Liangshan, the Japanese damaged five large enemy planes and set ablaze six small aircraft, while at Liuchow the same number of planes were damaged or set ablaze by the Japanese. All the Japanese planes returned safely to their base.

OFFENSIVE BEGUN IN LEIYANG REGION

Chiang Troops Trying to Move Up Hengyang Road Being Encircled and Wiped Out

By T. SHIRATSUCHI
Of the Military Press Corps

HUNAN FRONT, August 12.—Having perfected their encirclement net around the powerful Chungking forces advancing northward toward Leiyang, Japanese Units in that area on August 9 suddenly commenced an annihilative operation and are now smashing the shattered enemy troops at various points.

A large enemy force, consisting of the 41st Division of the 26th Army of the Chungking forces and the temporarily-organized 48th Division, advanced northward along the Hengyang Road to the area near Hsiaoshipu, eight kilometers south of Leiyang. Against this enemy operation, various crack Japanese Units driving forward from three directions spread an iron net around the foe. The central force launched a vigorous night surprise attack against the headquarters of the 41st Division and attained brilliant war results, inflicting tremendous losses upon the enemy.

Thrown into utter confusion, the enemy troops opened up heavy fire. In their terror, however, they shelled by mistake their comrade units, particularly the troops of the temporarily-organized 48th Division of the Chungking forces who had rushed to the scene of the battle to aid their trapped comrades. As a result, the main strength of the 48th Division was smashed.

PROPAGANDA NEWSREEL SHOWN IN U.S., S. AMERICA

Scenes of Constructing Large Airfield in China for B-29's Screened

Special to the Nippon Times

LISBON, August 13.—A newsreel showing the construction of air bases for the United States air force in China is now being shown for propaganda in United States and South American cities, according to information reaching here.

The film shows the actual scenes of constructing a large airfield for B-29's, which the United States has been loudly advertising as being aimed at attacking Japan.

The film, however, shows poor coolies, who are said to number 60,000, working like beasts under the superintendence of American engineers, without any mechanical power, on the vast dried-up plain without a single house or tree, fanned by hot winds. They are forced to labor constantly and most cruelly. It makes any one shudder at the cruel scene. Those who see the film only realize the cruel treatment the Chinese workers are meted out by the inhuman Americans.

NIPPON TROOPS SET FOR NEW OPERATION IN HUNAN WAR ZONE

Enemy Loses 93,915 Men From May 27 to August 8, Says Imperial Headquarters

Imperial Japanese Units in the Hunan area are now preparing for a new operation after smashing the Chungking forces massed in the areas around Hengyang, the Imperial Headquarters announced in its communique issued at 3 p.m. on Monday.

The Imperial Headquarters also revealed the principal items among the composite war results obtained by the Japanese Forces since the commencement of the operations in the Hunan area on May 27 up to the reduction of Hengyang on August 8 as follows: Enemy bodies picked up by the Japanese, 66,468, and troops taken prisoner, 27,447. War trophies captured by the Japanese included 335 guns of various calibers, 1,505 heavy and light machine-guns, and 13,666 rifles. In addition the Japanese shot down, damaged or set ablaze a total of 869 enemy planes in the same period.

Losses on the Japanese side were 5,343 killed, the Imperial Headquarters added.

The communique follows:

IMPERIAL HEADQUARTERS' COMMUNIQUE
3 p.m., August 13

"1. Our Units in the Hunan area are now preparing for the next operation after smashing the enemy forces massed around Hengyang.

"2. The principal items out of the composite war results obtained by our Forces since the commencement of the operations in the Hunan area on May 27 up to the reduction of Hengyang on August 8 follow:

Losses inflicted upon the enemy:	
Bodies picked up by our side	66,468
Prisoners captured	27,447
War trophies:	
Guns of various calibers	335
Heavy and light machine-guns	1,505
Rifles	13,666
Aircraft downed, damaged or set ablaze	869
Losses on our side:	
Killed	5,343."

Preparing Fresh Offensive

After having crushed the Chungking troops around Hengyang, the Japanese Forces in Hunan Province are now preparing for new offensive operations.

The reduction of Hengyang, the stronghold of the Chungking army, by the Japanese on August 8, has greatly affected the United States and Chungking and the enemy scheme of using the continent of China as the base for a counter-offensive against Japan has been completely frustrated.

The commencement of the Japanese large-scale operations in Hunan has brought to a standstill the anti-Axis plan of attacking Japan from air bases in southeast China. Even the use of the B-29 bomber has failed to achieve success.

Hengyang was the vital supply base for the enemy's land and air forces in southeast China. However, as a result of the rapid development of the Japanese operations in Hunan, the enemy bases have now been separated into east and west and the enemy's supply lines greatly menaced.

Since the Japanese operations on Guadalcanal, the Chungking regime underrated Japan's strength in China. They believed that the Japanese would be unable to reach Hengyang so that the fall of the key base has brought deep consternation to the people of Chungking.

Meanwhile, the U.S. air force in China, upon which the Chungking army depended so much, has sustained stupendous losses at the hands of the Japanese Army Air Units. Moroever, although numerically superior, the Chungking army has been shattered and its recovery is regarded well-nigh impossible.

Declaring that the fall of Hengyang was a big blow to the Chungking forces, a U.P. dispatch made the prediction that Chungking may be forced to abandon the entire length of the Canton-Hankow railway due to this defeat.

Within less than two and a half months, the Chungking army sustained enormous losses in the Hunan fighting and since the opening of the Hunan operations on May 27 up to the fall of Hengyang on August 8, the enemy lost, 66,468 men whose bodies were picked up by

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BIG MENACE FACES KWEILIN AIRFIELD

Enemy May Have to Move to His Rear Bases Due to Fall of Hengyang

By J. TSUTSUMI
Of the Military Press Corps

CONTINENTAL BASE, August 12.—Due to the fall of Hengyang into the hands of the Japanese, Kweilin, the enemy's pivotal advance air base, has been exposed to the direct menace of smashing Japanese onslaughts with the result that the foe may have to withdraw to his rear bases.

When the Japanese commenced their offensive against Hengyang, the Americans in China became alarmed. As they were set on holding this vital point at all costs, they personally took over the supervision of the Chungking garrison forces in the walled town.

On the other hand, the Americans concentrated their air forces at Kweilin, Liuchow and Chihkiang and attempted to carry out counterattacks, but the enemy's plans were smashed by the Japanese Wild Eagles who were ready for action when the time came.

Toward the close of last month the Japanese Air Forces in China sprang into activity. They dealt shattering blows to the enemy's second line of bases while the land units commenced a general onslaught against Hengyang which came to a glorious end for the Japanese Forces with the crippling of both the enemy's land and air forces.

As a result of the fall of Hengyang, the air bases around Kweilin have been isolated and are now under the constant threat of the devasting aerial operations of our Wild Eagles.

Quality Versus Quantity

By I. IRIYE
Of the Military Press Corps

CONTINENTAL BASE, August 12.—The combined strength of the United States and Chungking air forces in China now aggregates between 600 and 700 planes with P-40's and P-51's in the majority. Recently, P-47's and P-38's have been sent from the United States to China in increasingly large numbers.

The capacity of the India-China air route is now said to surpass the 15,000 tons that marked the capacity of the Burma Road before the outbreak of the War of Greater East Asia. The enemy is boasting that the India-China air route can handle one plane every 18 minutes and that recently giant transport planes which can carry 200 men have been put into service.

From the above it can be seen that the present fight is a battle between our quality and the enemy's quantity. Or, in other words, it is a struggle between our technique in air fighting and the enemy's supply capacity.

The base of the B-29 bomber plane unit, or the "task unit" as it is called, is located in the neighborhood of Chengte. This unit is watching for opportunities to smash the fighting strength of the Japanese home front, and to attack the Japanese-occupied areas in the Southern Regions.

Called the "strategic unit," the force composed of B-24 bombers based at Kunming and Kweilin makes attacks on the Wuhan and Canton areas and often extends its activities to Hainan Island and French Indo-China. The third unit, or the "tactical unit" is composed of B-25 bombers and P-40 and P-51 fighters. This unit has its bases at Kweilin, Liuchow and other places and is active over the Wuhan, Yangtse, Canton and Hongkong areas.

Furthermore, from bases at Ankang, Enshih, Liangshan and Paishih, enemy planes attack our positions at Chengchow, Hsinhsiang, Hsinyang and other places along the Peking-Hankow Railway in an attempt to cut off our supply lines. Also, from the line of bases extending from the Chengte airfield to Nancheng and Sian the enemy air forces are extending their activity to North China and the Loyang area, while the "stratetic unit" at Kunming is also cooperating with the land forces on the Indo-Burma Front.

However, with the reduction of Hengyang, the most vital base for the enemy, the various airfields east of the Canton-Hankow Railway were isolated with the result that the strategic plans of the enemy air forces in southeastern China have been blasted. As the Japanese Forces have now reached a point only 350 kilometers away from Kweilin, the enemy has been thrown into desperate confusion.

Reich Treatment Lauded

Domei

MILAN, August 13.—The Archbishop of Siena, today, in a letter addressed to the German High Command expressed his and the whole of Siena's deep gratitude for the special consideration with which the Germans had treated the inhabitants of the town before its occupation by the anti-Axis troops.

57 British Bombers Are Downed Raiding German Territory

Domei

BERLIN, August 13.—Formations of British four-engined bombers for the first time in a long while attempted to raid several targets in German territory last night and during furious nocturnal air fights, German night-fighters shot down 57 British terror bombers according to reports so far. The British bombers approached Germany from several directions. A minor formation crossing Frisian Islands entered the Husum area and raided Kiel, while a second formation entered northwestern Germany and approached Brunswick. Thirty-four machines of this latter formation alone were destroyed, while another wave flying in from Belgium into southwestern Germany lost 23 planes.

BRITISHERS WORRY OVER LARGE DEBTS

Dominating Position of Britain As International Creditor Irreparably Lost

One of the questions now worrying authoritative British circles to an increasing extent is Britain's rapidly growing indebtedness, says the German Economic Report, according to a special Berlin dispatch to the Nippon Times received yesterday. Continuing, the German Economic Report says:

Views are widely divergent in Britain regarding the ways and means by which this problem is to be solved. Some experts are of the opinion that one of the most urgent tasks for Britain after the war would be to consolidate the enormous pound sterling holdings that have been accumulated in London by the countries of the British Empire, neutral nations, and some of Britain's allies. At present these credits are frozen.

Must Be Replaced

As regards the question whether a consolidation is to be carried out as part of an international currency agreement or by individual negotiations with the countries concerned, opinions differ. Time and again, however, voices can be heard which point out that the current international indebtedness, as represented by the frozen sterling credits, must be replaced as soon as possible by long-term loans.

The Financial News, on the other hand, in one of its latest issues very decidedly opposes such a consolidation of these assets. It stressed that the financial position of Britain after this war, viewed from all angles, would be less favorable than that after the first World War. The total amount of Britain's current international indebtness is bigger than in 1918; at the end of this war the difference would be even greater.

On the other hand, the means by which one might liquidate these debts would be incomparably smaller. The foreign trade balance would show no surplus comparable to that of the twenties. Britain should think herself fortunate if she would be able to pay for her current imports from the proceeds of her current exports. Nor has Britain any reserves in the form of capital investments abroad that might be compared to the investments at the end of the first World War. Almost the only change in favor of Britain is the lowered rates of interest. However, Britain would be less in a position to pay the lower interest in future than she was able in the twenties to shoulder the high interest burden.

Would Eventually Collapse

Under such circumstances, continued the Financial News, it would be stupid if Britain arranges to pay fixed yearly amounts. These sums would have to be borrowed elsewhere and the burden of Britain's international indebtedness would only be further increased thereby. This avalanche-like process would sooner or later collapse in exactly the same way as had been the case with the Anglo-American war debt agreement, but most probably within a considerably shorter time than 10 years. The non-fulfilment of a definite repayment agreement would perhaps impair Britain's prestige to a greater extent than an initial refusal to make any definite arrangements, the Financial News concluded.

Apart from the problems involved in Britain's short-term foreign indebtedness as such, the foregoing shows how infinitely weak Britain's financial position has become through this war. What once upon a time used to be Britain's strong point in this world, namely her dominating position as the greatest international creditor, has been irreparably lost. Moreover, she has meanwhile become the debtor of many nations, without prospects of being able to liquidate these debts in an appreciable time.

Meanwhile, the British Chancellor of the Exchequer, Sir John Anderson, in the House of Commons declared that Britain was still in possession of over 50 per cent of her overseas investments compared with those of 1938.

Anderson's statement is in gross contradiction to the declaration made by the then British Ambassador to Washington, Lord Lothian, in the White House when the continuation and financing of American war material deliveries to Great Britain was discussed. Lord Lothian at that time informed the Americans that British assets abroad had as good as been used up and that Great Britain, therefore, was not in a position to pay for the American deliveries.

On the strength of these assertions and in order to enable Britain to continue the war President Roosevelt abolished the Cash and Carry clause and introduced the Lend-Lease Bill. Should Anderson's announcement be correct then the Americans at that time fell victim to the greatest swindle in modern history, provided, of course, that Roosevelt believed Lord Lothian's assurances.

It is to be assumed, however, that Roosevelt did not believe them and in spite of this introduced the Lend-Lease Bill because already at that time he was firmly determined to let the United States at any cost participate in the war.

CHINESE FOLKS AID OUR MEN IN HUNAN

Impressed by Conduct of Nippon Soldiers, They Give Every Cooperation

By M. KADOWAKI
Of the Military Press Corps

OUTSIDE HENGYANG, August 14.—Deeply impressed by the conduct of the officers and soldiers of the Japanese Forces who observed to the letter the three basic rules of "Don't Burn, Don't Violate, Don't Steal," the Chinese residents who have met our men for the first time with the opening of the Hunan campaign, are bringing rice, tobacco and sweets to them on the first firing line.

As our southward advance had been so rapid, when our Forces reached the outskirts of Hengyang on June 7 their provisions were almost exhausted. Paymaster-Lieutenant Norio Takashima, who was determined to make purchases locally so that our men would never be left hungry, entered the village of Hochialung, 12 kilometers west of Hengyang, taking with him Chen Shih-hsiang, a Chinese woman who had shared everything with the Japanese Forces ever since the Changteh operation, and Yeh Chanhwai, Commander of the Second Regiment, temporary formed Seventh Division, who was taken prisoner in the recent campaign. He explained to the village residents the true intention of the Japanese Forces and the meaning of the War of Greater East Asia. The Hunan residents who possess higher education compared with the people of other provinces, readily understanding us, proposed to cooperated with us. Thus, immediately was formed the Association for Cooperation with Japanese Forces and more than 200 residents instantly joined it.

Hearing that the duty of the Commissariat Unit of our Forces was to procure rice to be sent to the first line men fighting for the reduction of Hengyang, they at once began the task of unhusking the several tons of rice which were hidden by the Chungking forces. They sang their favorite songs as they worked, and were happy as though they had forgotten the war. While our men remained in the neighborhood, the village folks brought voluntarily pigs, chickens and vegetables. Because of their enthusiastic efforts, in four days, 100 tons of rice were unhusked to obtain 60 tons of cleaned rice. When the cleaned rice was ready, our transportation units came to carry the rice. Watching how hard our men worked under the burning hot sun, more than 20 women of the village brought tea for them.

The village folks also made cigarettes for our men. They were made in a very primitive way, but one worker turned out 1,500 cigarettes a day. With a sewing machine that was confiscated, the village women repaired the clothings of our men which had been torn and ripped.

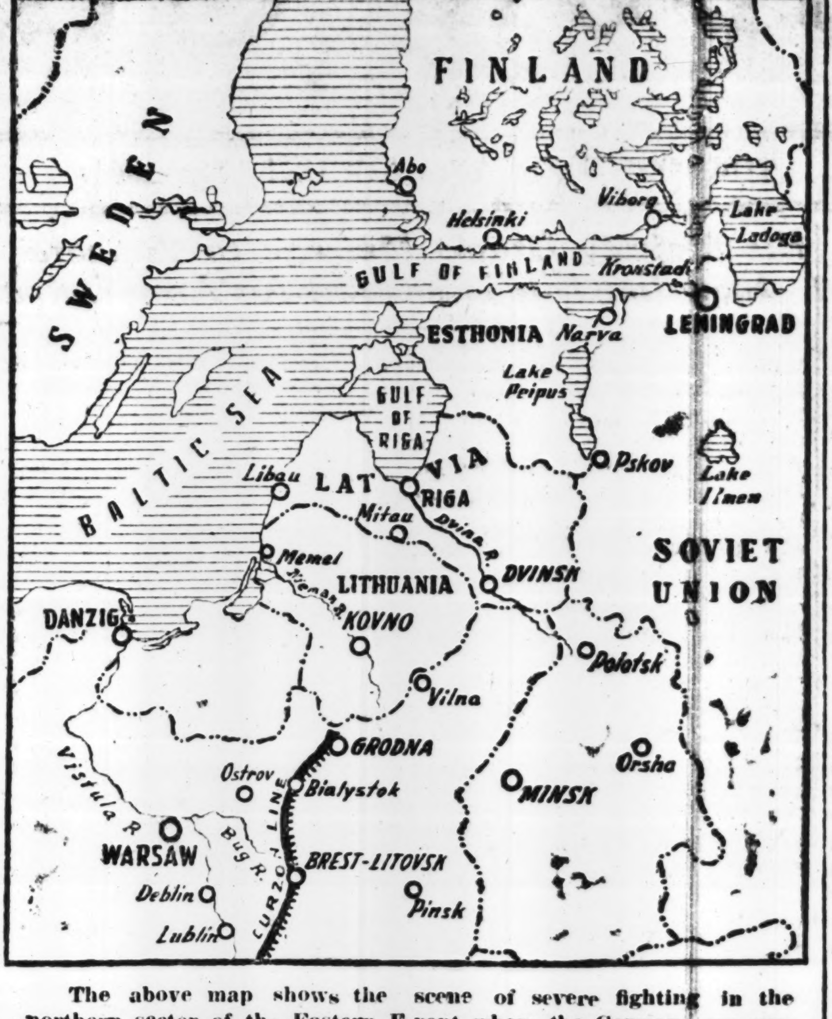
Such cooperation of the villagers was made possible only because of the determination and spiritual force of Paymaster-Lieutenant Takashima and his men, and also because of the eager cooperation given by seven Chinese who were taken as war prisoners and a Chinese woman.

Banana Crop Destroyed

Domei

STOCKHOLM, August 13.—Three-fifths of this year's banana crop in the West Indies had to be destroyed on account of shipping shortage and marketing difficulties, the United Fruit Company announced today, according to a New York dispatch.

East Front Battle Arena



The above map shows the scene of severe fighting in the northern sector of the Eastern Front where the Germans are successfully warding off Soviet thrusts.

CHURCHILL'S VISIT BARES CRISIS IN SOUTHERN ITALY

Troubles Besetting Bonomi Due To Anti-Axis Occupation Forces, Say Germans

Domei

BERLIN, August 13.—The arrival of Prime Minister Winston Churchill in South Italy indicates that events there seem to be coming to a climax, the Wilhelmstrass declared today, adding that the visit is of a military and political nature.

It is recalled that a crisis had been prevailing in the Bonomi Government for some time and this had become particularly apparent when Benedetto Croce quit the cabinet and by the reasons given by him, the German Foreign Office added.

Continuing, the Wilhelmstrasse said: "The manifold difficulties confronting the Bonomi Cabinet were due in no small measure to the catastrophic economic situation caused by the anti-Axis occupation forces. Nobody in occupied Italy knows today to which authority he has to apply for certain things. The muddling of the authorities has resulted in administrative chaos which nobody seems to be able to cope with.

"It is therefore quite comprehensible that the Bonomi Cabinet desires the overhauling of the entire armistice terms concluded with the anti-Axis. It can, however, be hardly assumed that the anti-Axis will fulfil these wishes of Bonomi."

Patterson, Taylor See Pope

Domei

LISBON, August 13.—Robert Patterson, U.S. Undersecretary of War, and Myron Taylor, U.S. Ambassador to the Vatican, were received in audience by Pope Pius XII this morning, according to a Vatican City dispatch.

SHANGHAI CITIZENS GIVE LARGE SUM FOR PLANES

Contributions Pouring in as People Respond Willingly to Need for Air Defense

Domei

SHANGHAI, August 14.—A substantial sum contributed by the Shanghai Citizens Plane Donation Movement Committee toward the funds for the purchase of planes for national defense was presented to the National Government of China yesterday.

Organized a few months ago by prominent local officials and public leaders, the Shanghai Citizens Plane Donation Movement Committee has been actively carrying out the campaign to raise funds. By means of attractive posters, slogans and other media, the movement has gained widespread publicity and received the warm support of the public in general. As a result, contributions have been pouring into the banks appointed by the committee to receive donations. As the committee is continuing to push its drive for funds with ever greater vigor, it is generally expected that further large donations will successively be presented to the National Government in the future. This mounting of donations is clear evidence of the great success of the committee in calling the attention of the people to the vital importance of national defense.

U.S. Envoy Reaches Iran

Domei

LISBON, August 13.—As the first American Ambassador to Iran, Roland Morris, former Minister to Iceland, arrived in Teheran today to assume his new post, according to a Teheran dispatch.

Attacked, Unarmed Ambulance Plane, Downs 2 of 10 Enemy Craft in Exploit Over Yangtze

By I. IRIYE
Of the Military Press Corps

CONTINENTAL BASE, August 13.—A non-armed Japanese ambulance plane, combatting 10 American aircraft, downed two of them by ramming them over the Yangtze River and later it self-blasted itself. This heroic story, which is unparalled in the history of air battles, has just been revealed.

On August 4, a Japanese ambulance plane, which was on its way back to a Japanese base, was reported missing. The plane was carrying several wounded Japanese soldiers and manned by Sub-Lieutenant Kenichi Hayakawa and Sergeant-Major Susumu Wakizaka. Four days later, Yukinoshin Miura, captain of a certain Japanese ship in charge of transport on the Yangtze, visited a Japanese Unit and related the heroic fight of the ambulance plane, which he saw 300 meters overhead, in the following vein:

"Toward 9 a.m. on August 1, while my ship was navigating XX kilometers away from the base, I saw a plane coming slowly toward us at an altitude of about 300 meters. Soon it was found to be a Japanese ambulance plane with clear Red Cross mark on it. Just at that moment I noticed a formation of 10 enemy planes charging toward us like arrows. The enemy apparently aimed to attack our ship, but apparently having found the ambulance plane, began to attack it despite the clear Red Cross mark on the plane glittering in the sun.

"The enemy fighters were all P-40's. Four enemy planes began to machine-gun the ambulance plane, and the other six planes started to circle above it. Unfortunately, the ambulance plane, having no weapons to fight against them, soon began to emit black smoke and we had only to gnash our teeth. However, the ambulance plane, calmly flying, appeared to evade the enemy attack as far as possible. When two enemy planes commenced a fresh attack, the ambulance plane cleverly turned its head. This clever turning made one of the enemy planes plunge into the Yangtze River. However, at the next moment, six enemy planes closed in on the ambulance plane one after another, and it appeared that it had no means to fight them. Black smoke and the red flame of the ambulance plane became larger and larger. It suddenly changed its course and lifted its head, just when a P-40 came to attack it from the front. I have no adequate words to describe the heroic scene in which a non-armed ambulance plane bravely fought against the enemy fighter. It rammed the enemy plane and the two planes went down into the river in a big mass of flames. They, the enemy plane and the ambulance plane, finally disappeared in the Yangtze River, fading out slowly from our sight."

U.S. FAILS TO SOLVE RUBBER SHORTAGE

Fresh Difficulties Result in Over a Quarter of Demand Remaining Unfilled

Though all the United States rubber supply difficulties were firmly expected by American technical and economic experts to be overcome in 1944, such expectations could not be filled, according to a special Berlin dispatch to the Nippon Times yesterday.

In 1944, a production of synthetic rubber amounting to over 800,000 tons was to satisfy all requirements. Unexpectedly, however, the Americans came up against fresh difficulties which in practice resulted in more than one quarter of the actual demand remaining unfilled with the present monthly production of about 50,000 tons.

Prospects of making up for this shortage are anything but favorable since the cause is not inherent in an insufficient output of the production facilities, but in raw material difficulties. Once more it becomes evident that the Yankees' idea about the inexhaustible wealth of their country is not correct in all lines.

When the question of synthetic rubber production became acute in the United States, a violent controversy immediately arose on what raw material basis the production was to be carried out. The mammoth oil concerns, headed by the Standard Oil Company, did not want to pass up the business that this development promised, while the farmers' associations, which, in their opinion, were drowning in an abundance of wheat, just as emphatically insisted upon the use of grain alcohol as a basis for the production of synthetic rubber. Finally a compromise was reached to the effect that the oil companies were to take over 65 per cent of the Butadien production, while the remaining 35 per cent were to be manufactured from grain alcohol.

What was overlooked, however, were the demands that aerial warfare would make on natural oil, for the Butyl produced from oil is absolutely indispensable in the manufacture of high-grade aviation gasoline. These demands on natural oil are so great that the oil companies could not by a long shot produce the scheduled quantities of Butadien for the synthetic rubber production. To all practical purposes, therefore, 75 per cent of the Butadien needed in the production of rubber must be provided by the alcohol distilling plants.

Since now in view of the impending fighting in Europe it stands hardly to reason that the demand for high octane aviation fuel will decrease, there is hardly a chance that the situation will change in this regard. What quantities are concerned becomes evident from the fact that in 1942 no industrial alcohol at all was needed for the manufacture of synthetic rubber, while in 1943 127 million gallons were required, and in 1944, according to a conservative estimate of requirements, 300 to 350-million gallons.

For the production of this quantity of grain alcohol, the U.S. War Production Office has demanded 170-million bushels of wheat, that is, therefore, about 4.6 million tons. In practice this means that nearly one-fifth of last year's wheat crop in the United States, which totaled roughly 24 million tons, must be converted into grain alcohol and subsequently into synthetic rubber if requirements are to be fulfilled.

The United States estimates the entire world wheat reserves for the beginning of the new harvest year at 8.1 million tons. These figures illustrate what tremendous demands are being made on wheat on the part of synthetic rubber production.

In view of the enormous quantities of bread grain which the Soviets are demanding, and in view of the increasing consumption in the United States proper, quite apart from the famine catastrophes in all countries which the Anglo-Americans have occupied, it can easily be predicted that United States agriculture will not be in a position to provide these huge qualities of wheat. What in the beginning seemed to be merely a question of industrial production has thus suddenly become a question of agrarian production. And in this regard it does not suffice to spend a few million dollars or knock together some industrial plants. The rate of production is dictated by nature, which, however, does by no means imply that an increase in cultivated areas will actually lead to an increase of the crop. A bad harvest can upset all human calculations.

In their efforts to find a way out, the Americans have now hit upon the idea of producing alcohol from wood in the course of which, as was not to be expected otherwise, they unscrupulously availed themselves of a German patent. Wood is turned into molasses, from which alcohol is subsequently distilled. But this, in any case, means again factory conversions which do not only take time, but are bound to also disturb other spheres of supply. There are, after all, limits for the United States too, This is very clearly illustrated by this example of synthetic rubber production.

Nippon Troops Set For New Operation In Hunan War Zone

(Continued From Page 1)

the Japanese Forces. In the same period, prisoners numbered 27,447 including 13,300 taken at Hengyang headed by Lieutenant-General Fang Hsien-chueh, commander of the Chungking 10th Army.

As already announced by the Imperial Headquarters, the enemy also lost considerable equipment including 335 guns, 1,505 light and heavy machine-guns and 13,666 rifles besides, numerous war materials and ammunition. Enemy aircraft shot down, destroyed or set ablaze by the Japanese Forces numbered 869.

BRITISH TRY TO HIDE BREAK

Silence on Polish Talks Advocated By Exchange Telegraph

Domei

BERLIN, August 13.—Concerning the present state of relations between the Polish exile regime and Moscow after the suspension of negotiations, Berlin political circles point to the British endeavors to create the impression that the negotiations had only been interrupted.

Particularly interesting is the Exchange Telegraph report saying that it would be better not to speak openly of the suspension of negotiations since this would help the German propaganda. In reality, however, Berlin circles declared that Premier Josef Stalin is still insisting on an agreement between Premier Stanislav Mikolajczyk of the exile regime and the Soviet Poles and on the renouncement of the so-called Pilsudsky constitution of 1935. He further demanded new elections. That in these elections only the tools of Premier Stalin will be nominated as candidates need not be emphasized. Premier Stalin, it is stated in Berlin, wants to control the inner political structure of Poland and influence the country.

Fuehrer's Headquarters

August 13

The retaliatory fire on London continues.

On both sides of the Orne and south of Vire, the enemy made numerous attacks which were mostly repulsed and fighting for several dents is still going on. The fighting in the Alencon area has further extended to the north and is increasing in intensity.

After violent attacks from the air, the Americans renewed their attack on St. Malo but they were once again repulsed in violent fighting in which our coastal and flak-artillery effectively took part. The enemy suffered severe losses and an enemy group which had broken into the town was thrown out again in a counter-thrust. Prisoners were taken.

Escorting vessels of our navy sank an enemy E-boat in the waters west of Le Havre and heavily damaged another one, while our naval flak-artillery and escorting vessels shot down 15 enemy bombers over the western and southern French coast.

In the French hinterland, 102 terrorists were wiped out in fighting.

No major operations took place in Italy.

On the Eastern Front, several Soviet attacks between the districts of the Pruth sources and the large Vistula bend were warded off and numerous tanks were destroyed. Battleplane formations made successful attacks on Soviet tank and vehicle columns west of Baranov. Northwest of Bialystok, further break-through attempts carried out by more than 10 Soviet rifle divisions were checked in heavy fighting.

On the Latvian front, the enemy yesterday again vainly attacked numerous places and only southwest of Lake Pleskau did he succeed in widening his penetration. Heavy fighting is in progress here.

While American bombers made a daylight attack on the town of Metz, minor British bomber formations bombed Brunswick, Kiel, Ruesselsheim and Hildesheim. Our night-fighters and flak-artillery shot down 58 enemy terror bombers.

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GRIM FIGHT RAGING NEAR EAST PRUSSIA

German Forces Expected to Take Up Defense Positions On Bobra River

Domei

STOCKHOLM, August 13.—The East Prussian sector northwest of Bialystok, is still the scene of the main fighting on the Eastern Front. The southern wing of the Second White Russian forces under the command of General Zahalov have succeeded in contacting the First White Russian forces under General Lokosovsky which crossed the Bug river, pressing upon the German position northeast of Warsaw, according to information received here.

Thus while the Red Army has adjusted its position to the north of Warsaw, Soviet vanguards, hurrying to reach the frontier of Eastern Prussia, appear to have reached Goniondz on the western shore of the Bobra river, only 18 miles from the East Prussian frontier. The Bobra river is a branch of the Narev river that runs southeast of Prussia. It is expected that the German forces will take up their defense positions at this line where already gun duels have started.

On the other hand, the Soviet Third Baltic Army that began the offensive west of Pskov, is said have reached Vilav, 50 miles west of Pskov in an attempt to cut the railway line to that city.

Thus the situation on the Baltic front cannot be slighted, particularly the movement of the Red Army in its endeavor to reach the Baltic northwest of Riga from the Dvinsk area, and thus to cut off the German forces stationed south of Libau.

La Guardia Stops Broadcast

Domei

GENEVA, August 13.—Mayor Fiorello H. La Guardia of New York, who recently returned from Italy, and who since the summer of 1943 had been addressing the Italian people every week promising them a glorious future if they would cooperate with the anti-Axis has suspended his broadcast because he declared that he did not know what to tell the Italians in view of the fact that the anti-Axis governments have not yet agreed about the future of Italy, according to a Daily Telegraph report from London received here.

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MEETING AT HAWAII RIDICULED BY IGUCHI

Spokesman Says Confab Planned by Roosevelt as Substitute for Campaign Speech

President Roosevelt's radio broadcast from the Bremerton Navy Yard was in keeping with the objective of his recent visits and conferences, commented Sadao Iguchi, Spokesman of the Board of Information, at his foreign press conference on Monday. Mr. Iguchi pointed out that the chief importance of Roosevelt's visits and conferences was to be found in American domestic politics.

The dramatic secrecy with which Roosevelt held the conference on war strategy at Pearl Harbor is "primarily a political stunt to give the impression to his people that something dramatically decisive is coming and thus to keep the public attention focussed on the Commander-in-Chief in the White House," the Spokesman said.

Alluding to reports that Roosevelt would give very few if any campaign speeches before the elections, Mr. Iguchi remarked that "no fool can fail to recognize that such visits and conferences as at Honolulu and his reports on them to the nation are arranged with the damagogic conception to take the place of campaign speeches."

Mr. Iguchi observed that Roosevelt had wisely refrained from making any prediction as to when the war would end and that he shifted the task to the people by emphasizing the need for more war production to assure the war's early termination. "He has not explained, however," the Spokesman added, "why the war is not going to end for some time."

Touching on the coming four-Power conference in Washington, Mr. Iguchi said that the fact that the Soviet delegation will be headed by the Soviet Ambassador to the U.S. with no special delegation being dispatched from the Soviet Government is evidence that the Soviet Government is not paying much attention to the conference. Mr. Iguchi said that not much was expected of the conference anyway.

THAKIN NU GIVEN NEW POST

Named Chief of Baha Bama Asiayone; Ba Maw Assumes Presidency

Domei

RANGOON, August 14.—Thakin Nu, former Foreign Minister of Burma, who has been made Minister Without Portfolio, has been appointed chief of the Headquarters of the Baha Bama Asiayone, which was inaugurated on August 1 on the first anniversary of the Burmese independence.

Dr. Ba Maw, Head of State and Prime Minister, assumes the presidency of the national organization while Thakin Mya, Deputy Prime Minister and concurrently Foreign Minister, and U Thwin, Privy Councillor, were appointed vice-presidents. The deputy chiefs are U Tin, political secretary to the Prime Minister, and U Bun One, chief of the committee members of the East Asia Youth League.

Cable Briefs

YANK WOMEN'S PLIGHT

American women today are willing to go to almost any length to obtain Nylon stockings which are now "scarcer than snowfall in July." Recently the Indianapolis fire department was literally swamped with women callers when it reported that it had about $160 worth of Nylon hose in stock. However, the mad scramble all came to naught as the precious hose turned out to be fire hose in 50 feet lengths!

AUSSIES SHORT OF PAPER

Australian school children and university students will be able to resume their studies! The publication of 1,000,000 volumes under 134 titles has been arranged for by the Commonwealth Book Sponsorship Committee since it began its work early this year. Publication had been at a standstill because of lack of paper. The books to be published include university and school textbooks, technical and scientific works, books on international affairs, general literature and children's books.

YANK VS. ARMENIAN

The fighting spirit seems to have entered into Hollywood too. Bandleader Tommy Dorsey is being sued for $40,000 by an Armenian actor. It all began with a party held recently on the balcony of Dorsey's Hollywood apartment. According to actor Jon Hall who was one of those present, Dorsey took offense when the Armenian playfully put his arms around the bandleader's beautiful actress wife. In the all-round fight which took place among host and guests, the Armenian suffered a broken nose and cuts about the face and head.

Drinking, Gambling Are Main Interests Of Decadent American Fliers in China

By **K. MEGURO**
Of the Military Press Corps

HUNAN FRONT, August 13.—The truth about the U.S. air force in China has been disclosed by an American Sergeant, Donald R. Watt, 21, of the 14th U.S. Air Force in China.

Watt, in company with five comrades, left Kweilin at midnight of July 26 aboard a transport plane. At Lingling, the plane took aboard 30 packages for use by the Chinese troops under Hsueh Yueh who were fighting near Hengyang. On its way to Hengyang, the plane was attacked by a Japanese Ground Unit and this young sergeant fell off the plane with one of the packages. Fortunately for him, his parachute opened in the air, enabling him to reach the ground safely.

On rising up, he saw four soldiers before him. He approached them, thinking that they were Chinese troops under Hsueh Yueh, but he was mistaken. They were Japanese soldiers, and before he had realized his mistake, he was captured. Watt stated that he was a native of Ohio, and that he had entered the American army when 19 years old. It was his desire to become a pilot. However, as he had failed to pass the examinations, he was attached to a refueling unit.

In December, 1943, he left for China as a member of the 14th U.S. Air Force in China. At first, he flew to Africa, and then to Karachi, India, where he spent five months doing nothing. Finally, he flew to Kweilin via Kunming, Yunnan Province. The trip between Karachi and Kweilin took about three months, and it was on June 15 last that he was attached to an air unit under the command of Colonel Williamson at Kweilin. He made about three trips between Kweilin and Kunming transporting mail matters and other necessities.

According to this young sergeant, there are at Kweilin at present 25 P-40's, four P-38's, seven B-24's, and two transport planes, with about 60 pilots and from five to six hundred maintenance service men. On the whole, the officers are educated. The non-commissioned officers and privates are, for the most part, little better than rogues. They spend their time drinking, dancing, quarrelling, and gambling.

He added that the American soldiers in China are well paid on the whole, his wages being $172 a month. In the Chinese towns where the American units are stationed, there are special shops open to American soldiers only. Other shops, however, are closed to them.

DISORDER RAMPANT IN CHUNGKING CAMP

Food Riots Break Out in Chengtu; People Labor Under Big Tax Burdens

Domei

TAIYUAN, August 12.—Arriving here after fleeing from the Chungking camp in Chengtu, Chao Ko-shih, 31-year-old Chinese, in an interview, exposed the rampancy of corruption in the administration, the drastic inflation, and dire living conditions of the people under the Chungking regime.

Chao is one of many who has returned to new-born China. He, too, realized the futility of further resistance against Japan and returned here recently where he rejoined his 73-year-old father who was formerly a general under Yen Hsi-shan. At present both father and son are enjoying a happy life. Chao was born at Yitu, Shantung Province. After graduating from the local Yujen High School in 1932, Chao studied at the Taitung High School, Peking. In 1936 he went to Japan and graduated from the Tokyo Aeronautical Engineering School. After that Chao went to Chengtu in 1942 and following his graduation from the commercial department of Huasi University, he was employed at the Chinese woolen textile factory at Sian.

Chao's story of Chengtu as told to Domei follows:

Lived in Fear

At the outbreak of hostilities in 1937 I was unable to break loose from the Chungking army and after crossing the Yellow River from Fenglingtu, I went to Sian and from there to Chengtu. In Chengtu there is no genuine spirit of resistance. The only things visible were the rise in prices and airraids. I always lived in a state of fear and insecurity. When I first entered school the monthly food expenses amounted to five yuan. However, about the time of my graduation, this price soared to about 500 yuan.

Of the four foreign languages taught at the university, namely, Japanese, German, French and English, Japanese was taught by a teacher who had graduated from Meiji University, Japan. This teacher had brought back Japanese textbooks from the Toa Preparatory School in Tokyo and told us about conditions in Japan. Furthermore, this teacher attempted to revise our mistaken concept of Japan and urged that we should gain our education from Japan. However, owing to the strict censorship of speech, our language teacher could not express his opinions openly.

Finally, I received a letter from my father telling me to come home, but I didn't have the traveling expenses. After graduating from school in 1942 I went to Sian and found employment at the China woolen textile factory there through the introduction of a friend. Then, after saving enough money for my traveling expenses I resolved to return home in January this year and boarded a train bound for Loyang. When I arrived there, the city's streets were bustling with soldiers. Since I had identification papers I was able to reach Kaishowtsi on the Anhwei-Honan border, and after all sorts of difficulties, I was able to go to Shangkiu where I met my father after seven long years of separation.

On Verge of Collapse

The Chungking regime is indeed on the verge of collapse. Because the Finance Ministry of Chungking is unable to successfully control the rise in prices, vicious inflation is rampant. The purchasing value of currency is so cheap that not even a beggar will glance at a 10 yuan banknote. Furthermore, the Chungking regime imposes on each person more than 10 different kinds of taxes. People are living in insecurity and despondency owing to the unheard of rise in prices and the acute shortage of food as well as other necessities.

In parallel with financial disorder, grafters and corrupt politicians and Government officials are numerous. An outstanding figure among them is Dr. H. H. Kung, Finance Minister, who has carried on all sorts of shady transactions in order to fatten his own purse. Moreover, the Finance Ministry is merely carrying on measures for its own benefit and does not even think of doing something to maintain peace and order.

In the business field highly profitable merchandise are all under monopoly. A severe blanket curtailment in production of goods was enforced and a heavy tax was placed on merchandise. Businessmen are distresed. The paucity of goods was aggravated in all areas under the Chungking regime. Take the case of commodity prices in Sian during 1943. One pair of shoes cost 2,000 yuan, a shirt from 1,500 to 8,000 yuan, a package of 20 cigarettes 780, and a hat 3,000. The people are imploring for an escape from the trials brought on by the futile war of resistance against Japan. And despite Chiang Kai-shek's efforts to bolster the people's morale, the masses are disgusted with the actual state of affairs. Under the rigid oppressive military administration, there is no freedom of speech and, therefore, the people are only resigned to suffering in silence, having given up all hope.

Food Riots Break Out

Szechuan Province outwardly presents an appearance of being "centralized." But in reality it is under the feudalistic rule of a local military clique so that orders from the central government are not thoroughly enforced. In Chengtu the merchants band together and ignore taxes on goods; university students organize movements to overthrow Kung and food riots break out at many places.

The quality of the army, too, has deteriorated. Ignoring the difficulties of the people, the soldiers are engrossed in pleasure-seeking with the result that the people's sentiments against the Government and against the war itself, are increasing in intensity.

Conditions in Chengtu are exactly the same or worse. The students of Sian University there are often without clothes. At times you can see them eating the left-over food abandoned by customers in restaurants. Sad indeed is the plight of scarcity-ridden, confusion-beset Chungking in its seventh year of the war.

Some 2,300 battered and defeated British soldiers from the Burma frontier were there in Chengtu—their beggarly appearance was a feast for the eyes of curious Chinese peasants. Recently, quite a number of American soldiers came into the neighboring areas. Their strutting, abusive way have gained the hatred of the people. And despite all propaganda of British-American aid, the people in Chungking-controlled China see no real evidence of that aid.

I first learned of the War of Greater East Asia after leaving school. We all had to laugh with scorn upon hearing of the bitter defeats suffered by those British-American "dandies." Despite the propaganda of the Chungking authorities, there were many who believed implicitly in Japan's victory in the war.

After seeing for myself reborn China as it is in the peace zones, I found out that each and every supposition of mine and reports I heard while in Chengtu were wrong. The orderly and just living I found in the peace zones showed not one iota of uneasiness or unnaturalness about it. The face of the people here are totally different from those in Chungking-controlled territory. That is why I feel so keenly the necessity of Chungking's awakening from its war of resistance as soon as possible so that it will be able to cooperate in the reconstruction and defense of East Asia.

BURMA WILL COPY JAPAN'S METHODS

Knowledge Gained Through Trip Will Aid Burmese Reconstruction, Says Ba Han

My inspection trip to Japan and various other East Asiatic countries, although lasting only about 100 days, was very fruitful and I feel as if I have gained the strength of 10,000,000 people, declared Dr. Ba Han, head of the Burmese Research Commission in his special article contributed to the Yomiuri-Hochi, says a special dispatch from Rangoon dated August 13.

Expressing his aspiration for the establishment of new Burma, he stated:

"Though it was a hurried trip, thanks to the tireless assistance given by various quarters in Japan and other East Asiatic nations, we have gained a great deal from our tour. What we have learned will shortly be embodied in the future construction of Burma. What impressed me most in Japan was the fact that all the Japanese people, old and young, men and women, fully grasping the true significance of the War of Greater East Asia, are exerting themselves to the utmost to fight out the war. I cannot but pay my highest respects to the Japanese who are fulfilling their respecitve duties at the cost of their lives.

"The Japanese Government's policies are being pursued along with the prosecution of the war to a successful conclusion. The living of the Japanese is assured. Heavy industries in Japan are just as active as the battlefield. We were glad to have been able to observe in Japan the fierce fighting spirit and the strong desire for increased production.

"I firmly believe that the knowledge gained from our recent trip will serve to propel the construction work in Burma. As the world is aware, Burma's heavy industry has been hampered by British oppression but now I keenly feel that Burma should do her best to make up for lost time, emulating the efforts of Japan and Manchoukuo. Thus I believe the self-sufficiency structure of Burma can be attained.

"I feel there is much to learn from the Japanese rationing system and the workings of neighborhood units. What we should specially learn is the spirit behind Japanese endurance, without which we cannot attain our final objective. Without victory in this war, there can be no independence or freedom. There is no reason why Burma cannot do what Manchoukuo, the Philippines and Celebes are achieving."

ODACHI URGES EVERYONE TO LEAD SPARTAN LIFE

Says People Must Realize Unrestricted Economy Will Not Bring More Goods

The only way to win victory in the present war is for the 100,000,000 people of Japan to give up the mistaken idea that if liberal economy is restored more goods will appear and, with new determination, lead a life of battle, declared Home Minister Shigeo Odachi, at the Miyako Hotel in Kyoto, Sunday.

"I am now endeavoring to establish a defense structure to meet the present urgent situation. An "armed nation does not necessarily mean every civilian will carry arms but it means the arming of the spirit," declared the Home Minister, in speaking of the people's wartime life.

"Today's condition does not permit any delay in any field of the war effort and furthermore I do not intend to make any change in the administrative structure. There is a view for the abolition of prefectual boundaries in order to effect smooth exchange of goods but a control organ is necessary for wartime economy. In short, it is wrong for the people to think that more goods will appear if unrestricted economy is restored. Such an idea must be banished so that the people can live a determined life to meet the conditions caused by the war."

Home Minister Odachi left Monday morning for Nagoya.

Notice of Removal

The Office of the Financial and Commercial Attache, of the Royal Thai Embassy begs to announce its removal to No. 53, Shoto-cho, Shibuya-ku, (Tel. Shibuya (46) 0485) as from 1st August. All financial and commercial transactions in Japan on behalf of the Royal Thai Government are now conducted at the afore-mentioned address.

East Asia Round-Up

North Borneo is well on its way to food self-sufficiency as home gardening flourishes in all parts of the country. The native inhabitants, Malais and Chinese all vie with each other in producing the best results from their backyard truck gardens. Photo shows a group of school children at work on their vegetable patch within the school compound.

Fasting Month Set

Domei

DJOGJAKARTA, August 14.—The headquarters of the Moehammadijah, one of the influential Moslem associations in Java, officially announced the beginning of the fasting month fixed for August 20 and the close of fasting on September 19. It was also disclosed that the official Islam function Bockjat (witnessing of the new moon) will be performed on the evening of August 19.

Donates to Kalibapi

Domei

MANILA, August 14.—Bayombong in Nueva Vizcaya Province reflecting the enthusiasm of the people in the province backing national unity of the provincial Kalibapi chapter sent more than 30,600 pesos in public donations to the central office of the Kalibapi.

Big Pond Ready

Domei

MANILA, August 14.—One of the biggest fish ponds in the province is now nearing completion as a part of the program for the large-scale promotion of the fishing industry in Nueva Vizcaya. One thousand two hundred square meters in area, the pond will be stocked with girams, gurami and plasalit (native fish).

Selling Land Lots

Domei

MANILA, August 14.—Putting into effect the policy of the Republic of promoting small land ownership in the Philippines and in carrying out its program of social justice into action, President Jose P. Laurel will authorize the sale of lots in the Buena Vista Estate in Bulacanan by the Ministry of Agriculture and Natural Resources to bona fide occupants and tenants, the Board of Information announced on August 11.

To Improve Irrigation

Domei

SHONAN, August 14.—After several months of strenuous effort, preliminary investigations on large-scale irrigation improvement work will be started soon at Sampean district, Besoeki Province. The work involves the construction of two trunk aqueducts extending 30 and 43 kilometers respectively and 12 branch conduits requiring altogether 3,000,000 hands in a two-year period.

Mobilizing Research Schools

Domei

HSINKING, August 14.—The Manchoukuo Government on August 11 announced the plan to mobilize the nation's research institutes for augmenting the country's fighting strength. The plan envisages the unification of the direction for the institutes, coordination of all research items and prompt practical application of results of research and study.

Opening Evangelical School

Domei

MANILA, August 14.—The Evangelical Seminary of the Philippines, highest training school for ministers of evangelical churches, was formally opened today.

Shonan Japanese Donate

Domei

SHONAN, August 14.—Japanese restaurant owners together with employees of the Shonan Club here forwarded $285,070 to the Special Municipality with the request that the money be given to the proper authorities to purchase fighter planes.

Asjari Heads Department

Domei

DJAKARTA, August 14.—Kiai Hadji Hasjim Asjari, 71-year-old Moslem leader, has been appointed chief of the Religious Affairs Department of the Japanese Military Administration in Java. He also retains the post of president of the Indonesian Moslem Federation.

Solo Sultan Ill

Domei

SOLO, August 14.—The Sultan of Solo has been confined to bed due to indisposition since August 11 and two Japanese physicians have been dispatched by the Military Administration to treat the 60-year-old Sultan.

Economy Bureau Created

Domei

DJAKARTA, August 14.—The Peoples' Economy Bureau created by the Military Administration to handle all business for setting up a new economic system was formally inaugurated here on August 11.

Paredes Heads Lamatra

Domei

MANILA, August 14.—The Land and Maritime Transportation Company to be known as "Lamatra" was created here on August 13 with Quintin Paredes, Minister of Public Works and Communications, appointed chiarman of the board of directors of the company.

Expanding Cotton Fields

Domei

DJOGJAKARTA, August 14.—A ten-fold expansion of cotton fields the next season is contemplated by the Djogja Sultanate Office in line with the island-wide efforts to attain sufficiency in clothing materials.

CHU FETES RETURN OF LOST TERRITORY

Japan Aided Recovery of Italian Concession in Tientsin, Says Foreign Minister

Domei

NANKING, August 13.—In a radio speech addressed to the entire nation through the local broadcasting station, Chu Min-yi, Foreign Minister of the National Government of China, yesterday evening clarified the significance of China's recovery of the Italian Concession in Tientsin.

He said that the recovery of the Tientsin Concession marked the wiping out of the last vestige of foreign influence in China. Moreover, he stressed that the abolition of foreign concessions was a gigantic step forward in China's attainment of complete independence.

Declaring that the retrocession of the foreign concessions was due, in a large measure, to Japan's cooperation, Dr. Chu expressed sincere gratitude to Japan on behalf of the people of China.

In conclusion, the Foreign Minister exhorted the Chinese to forge ahead for the successful consummation of the War of Greater East Asia. It is recalled that an agreement was signed on July 1 between the National Government of China and the Italian Government to formally retrocede the Italian Concession in Tientsin to China on August 14.

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TOKYO, TUESDAY, AUGUST 15, 1944

Mikolajczyk's Abandonment

The empty-handed return of Premier Stanislav Mikolajczyk of the exiled Polish regime of London from his vain mission to Moscow last week demonstrates the helplessness of the British Government in its efforts to oppose the Polish policy of the Soviet Union. The chief victim is, of course, Mikolajczyk's fugitive regime which has been made as usual the dupe of Britain's unsuccessful designs.

In 1939 Britain made use of Poland to attempt the construction of a restrictive wall around Germany, instigating the Poles into intransigence against Germany. When that attempt resulted in war, Britain showed no hesitancy in leaving the Poles in the lurch. But soon afterward, Britain again tried to make use of the Poles, this time through the exiled Polish regime in London, to build a restrictive wall against the Soviet Union. But when the fortunes of war made it necessary for Britain to truckle to the Soviet Union for military aid, the British showed no compunctions about again leaving the hapless Poles in the lurch. The Poles have thus been instigated by the British into nurturing extravagant territorial ambitions against both Germany and the Soviet Union, only to be abandoned by their faithless and impotent backers time and again. Mikolajczyk's futile visit to Moscow is still another and the latest of such utilization and abandonment of the Poles by the British.

This time, ignoring the British-encouraged designs of the exiled Polish regime in London to resurrect an abnormally expanded Poland, the Soviet Government granted formal recognition to the rival Polish Committee of National Liberation at Moscow which is content to come to an agreement with the Soviet Union on a much more moderate and reasonable boundary delimitation. With the Soviet armies now actually pushing into Poland in friendly cooperation with the forces of the Polish Committee of National Liberation, with Polish patriots actively fighting under the direction of this Liberation Committee and establishing administrative organizations under its authority, the exiled regime in London was reduced to more of a meaningless pretense than ever before. And seeing how impossible it had now become to give any effective support to this puppet, the British Government again abandoned it without pity.

The abandonment took the form of the British Government telling Mikolajczyk to go to Moscow to make whatever terms he could with the Polish Committee of National Liberation and its Soviet supporters. The terms which the Committee offered naturally amounted to the absorption of the exiled regime into the government of the Committee under the Committee's own conditions. Although the specific terms are not definitely known, it is reported that they include the abandonment of the refugee regime's extravagant territorial ambitions, the recognition of the Polish constitution of 1921 instead of the constitution of 1935, the renunciation by the exiled regime of its Guarantee and Alliance Treaty with Britain, and the placing of the exiled regime's military forces throughout the various theaters of war under the command of General Rolazymierski of the Soviet-backed Liberation Committee. Such terms would mean the virtual annihilation of the exiled regime in London.

Mikolajczyk has therefore gone back to London in a desperate attempt to enlist British help in holding out for better terms. But the fact that Britain sent Mikolajczyk to Moscow in the first place meant that she had already recognized her inability to continue her support of the exiled Polish regime in the face of the Soviet Union's actual power on the spot in Poland itself. Sending Mikolajczyk to seek terms from Moscow in itself meant that Britain had already abandoned the exiled Poles. It is hardly to be expected that Mikolajczyk's tearful appeal from those terms will now find Britain sympathetic or responsive.

Roosevelt's Vote-Getting Trip

President Roosevelt kept the American public guessing as to his whereabouts by "disappearing" completely after his speech from a Pacific Coast naval base on July 20 in which he accepted the Democratic renomination for a fourth term in the White House. Now it has been revealed that the political-minded President has been on another one of his "dramatic" trips—an "inspection tour" of the American military bases in the Pacific and the Aleutians—for the primary purpose of establishing himself in the White House for another four years.

In that fourth term acceptance speech, Roosevelt emphasized to the American populace that even at that very moment he was at a Pacific Coast naval base on "duty" in the prosecution of the war; and because winning the war was most important he would not campaign in the usual political sense in the forthcoming months before the election in November. Here was Roosevelt already deliberately taking advantage of his position of Commander-in-Chief of the United States armed forces to further his re-election without having to make cross-country campaign speeches. And now comes his trip aboard a cruiser to Hawaii and then to the Aleutians, a trip which Roosevelt in his own words said took him far away from politics, but which in reality took him directly into it.

For there is not the scintilla of doubt that Roosevelt's primary purpose in making that trip was to go after the soldiers' vote overseas. How important this vote is can be seen from the fact that it has been estimated to exceed as high a figure as 5,000,000. The ruthlessness of such tactics by Roosevelt is at once seen when it is noted that by law the War and Navy Departments are prohibited from distributing political propaganda toward influencing the soldier's vote. That law was passed by Congress primarily to bridle the War and Navy Departments from playing propaganda for Roosevelt, which would not be strange because the powers-that-be in those departments would naturally try to please their commander-in-chief, which in this instance is nobody else but Roosevelt.

Roosevelt's talks with General Douglas MacArthur, commander-in-chief of the anti-Axis forces in the Southwestern Pacific, and Admiral Chester Nimitz, commander-in-chief of the United States fleet, at Pearl Harbor for three days beginning July 26 regarding "new offensives" in the Pacific against Japan were nothing but a smokescreen for his vote-getting mission. For what more effective action could he have taken to garner the votes of the soldiers than by visiting them at their posts? And then the effectiveness of placing himself in the graces of the relatives back home of the men overseas—also important voters—can easily be seen.

Roosevelt's report on his tour which was broadcast from a Pudget Sound naval yard on Sunday was a virtual admission that his trip was for political purposes. He said little that was of any significance otherwise. His remarks to the effect that he could not tell when the war in Europe or in the Pacific would end were also designed to influence the American people into keeping him in office, indirectly warning them against the danger of "changing horses in mid-stream." Small wonder then that the Republicans are bitterly assailing the latest trip made by the President who will not give the Republican presidential candidate Dewey even a fair chance in the forthcoming election.

NO HEADWAY MADE AT BRETTON WOODS

Monetary Meeting Reveals Anglo-American Schemes

(By A SPECIAL CONTRIBUTOR)

The International Monetary Conference at Bretton Woods, Pennsylvania, sponsored by the Anglo-Americans and attended by all anti-Axis nations, is clearly an attempt by Britain and the United States to prepare themselves against a possible post-war economic crash. They do not want to face the post-war world under existing conditions after their bitter experience following the first World War and hence their desire to forestall such a situation by means of an international monetary structure as proposed at the conference.

The proposed new system of international monetary clearance with the "Pancall" or "Unitas" as monetary unit is essentially no different from the gold standard for, each nation's currency would be tied down to the international currency in a definite ratio and its trade and other accounts settled thereby, although the nation, internally, may not have a gold currency.

Under the system, however, the United States, holding 70 per cent of the world's gold, and Britain, possessing the greatest gold mines in the world in South Africa, will derive the greatest benefits. The plan may appear fair on paper, but actually all nations will not gain equal benefits, for the economic strengths and other circumstances of the nations differ from one another and their speed of development is not the same. Under the conditions, the economically weak Powers will be dominated by the stronger ones and the structure itself may become useless.

Britain Doomed to Suffer

Even taking the case of the United States and Britain, the latter is bound to suffer. Although she has rich gold mines in South Africa, Britain's wealth is gone. It has lost the greater part of its overseas credits and is already shouldering more than £2,000,000,000 of foreign loans. Under the circumstances, it will be impossible for Britain to pay its foreign debts if the pound is tied to the proposed new international currency.

Now, the conference at Bretton Woods indicates three things: the inordinate ambitions of the United States; Britain's economic downfall, and disharmony among the participating nations.

Commenting on Britain's economic decline, the French news agency, O.F.I., says:

"The only fact that has been clarified at the International Monetary Conference at Bretton Woods is Britain's economic and financial bankruptcy. Whatever further facts may come to be revealed, there is no dispute that Britain has slipped from her position of economic domination and is faced by bankruptcy. London, the world's great creditor, has become the world's great debtor. Keynes will realize this fact at the present conference."

Keynes, it will be recalled, gained fame after the first World War for his advocacy to cancel all war debts and reparations. And this may be why he was made chief British delegate to the Bretton Woods Conference. If Keynes should propose the cancellation of all war debts, the conference would come to an end.

Finally, only this can be said about the present conference, that it is purely a piece of propaganda on the part of the Anglo-Americans who wish to create the impression that they are coming to the end of the war soon. And, the conference is doomed to fail.

SONGS FROM PRISON

By MAHATMA GANDHI

Remember God, my soul:

Thy ears are rolling by without
his holy name:

And man, without the name of
God,
Is but a well wherein no water is,
Is but a shrine no lamp is
kindled,
Is but a tree on which no fruit
is found,
Is but a body born without one
eye,
Is but a night without the moon,
Is but a field without the rain,
Is but a sage who knoweth not
the scriptures:

O thou who wouldst be holy,
Watch heedfully desire,
Give up ambition, pride and
anger:

God is alone thy Friend
To aid thee thereunto.

Fruits of Wisdom

Those who have affirmed self-love to be the basis of all our sentiments and actions are much in the right. There is no occasion to demonstrate that men have a face; as little need is there of proving to them that they actuated by self-love.—Voltaire.

* * *

They can conquer who believe they can.—Virgil.

* * *

It is not only what we do, but also what we do not do, for which we are accountable.—Moliere.

Britain's Communication Ban

Past Cases Studied Show Restriction of Diplomatic Privileges Was Breach of International Law

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On April 17 of this year, the British Government suspended the communication privileges of foreign diplomatic representatives in England. This is a subject which frequently comes up in international law cases and it might be instructive to study this problem in the light of precedents.

Before going into this subject, it would perhaps be well to present in more detail the action of the British Government. According to the April 18 issue of the London Times, the British Government informed the duly accredited diplomatic representatives in England (1) that as from midnight of April 17 the foreign diplomatic representatives in England will not be permitted to receive or to send any telegrams in code; (2) that the diplomatic bag which has not been inspected by the censors cannot be sent and that diplomatic bags sent after above-mentioned time will not be forwarded to their destination until the inspection by the censors is completed; and (3) that no diplomatic couriers nor members of the consulate or embassies or legations shall be permitted to leave England either for public or private reasons.

The reasons given in justification of this action were that "in the unprecedented circumstances created by military operations impending in the present year, the British Government feels the necessity of adopting this special security measure in view of the fact that careless leakage of news which might result in assistance to the enemy or unnecessary losses of lives to Britain and her allies would not only from a military standpoint but also from the standpoint of British relations with the foreign countries whose nationals are involved in the leakage of news have dire consequences. "The British Government, however, mentioned that this measure was only temporary and that it would be abolished the moment the necessity disappeared. Of course, these restrictions which have been brought into existence in view of the demand for security will be abolished at the earliest time possible. Until such time, all possible measures will be taken to expedite communications of the foreign consulates and diplomatic representatives with their country."

Other Cases

However, the suspension of diplomatic privileges of this nature is, of course, not an isolated instance that has no precedent since the outbreak of the present global war. On May 5, 1941, Egypt prohibited the Japanese Minister in that country from sending messages in code and restricted the communications to ordinary messages written in either English or French. Again on August 30 of the same year, India informed the Japanese Consulate-General that henceforth its mail and other communications would be subject to censorship, that the practice which was allowed in the past to the Consulate-General and to its military attaches of sending code messages is herewith prohibited and that only those messages written in English and French will be permitted. To these actions, of course, the Japanese Government protested. At any rate, it is clear that in view of the fact that India and Egypt have close connections with Britain and, in fact, are under her influence these actions must in part be attributed to Britain herself. The latest action of April 17 of this year is thus merely an expansion of this past practice.

However, is the restriction placed on the communications of diplomatic representatives warranted under international law? In peacetime, the diplomatic representatives possess the right to communicate with their own country, even by code messages. Moreover, they have the right to send and receive diplomatic papers and communications in diplomatic bags which cannot be subject to inspection by the country to which they are accredited. Not only that, the use of diplomatic couriers is permitted while all diplomatic officials and members of the consulate have a right to leave for home and to travel to any country than that to which they are accredited. These are privileges recognized under international law and have not been violated. On the other hand, there are instances during wartime and internal disorder when these privileges were infringed. At such times, vigorous discussions have arisen in regard to the legality of such actions.

One most notable instance was during the Franco-Prussian War when Paris was under siege. When the German forces surrounded Paris, a question arose in regard to communications between the several diplomatic representatives who were still in Paris with the outside. Those who were caught in the siege were the emissary of the Holy See, and the ministers of the United States, Belgium, Denmark, Holland, Switzerland and Sweden. The German army stated that only open communications would be permitted, the reason being that the Germans had Paris under siege. Against this statement, the diplomatic corps—particularly the United States and Switzerland—lodged a vigorous protest. The United States especially heatedly maintained that international law recognizes the right of diplomatic representatives to send sealed communications to their home country as well as to send messengers and that this right cannot be altered by the existence of a siege or blockade. However, the Germans, citing Vattel, countered with the statement that communications may be subjected to restrictions in an area under siege. But the United States was able to win the recognition of her right of sending sealed communications under a special agreement. This was done for the special reason that the United States had agreed to look after the interests of the Germans but the United States, interpreting this to mean the recognition of the right of all the countries to communicate with their diplomatic representatives, dropped the negotiations.

U.S. Recognizes Principle

There are two or three other similar instances. At one time when there was internal disorder in Colombia, a diplomatic courier of the United States was refused a passport by Colombia. Colombia's action, however, was recognized in principle by United States Secretary of State Seward. In his instruction, he stated in gist: "Under international law, the recognized privilege of the foreign representative to send communications includes also the right of naming one's messenger who, during the performance of his duties, enjoys inviolability. However, in cases of a revolution in a country, the minister accredited to such a country must exercise this absolute privilege with proper consideration for the safety of that country. Such a restriction would not amount to the negation of that privilege itself nor an injury to the dignity and honor of a just and friendly State. Public safety is the primary consideration of a State. The United States Government does not therefore forcibly demand the exercise of this privilege in a country during a revolution nor will it fail to claim reasonably all its rights in all circumstances."

The other incident took place at the time of the Argentine-Paraguay war. The Argentine Commander-in-Chief was reported to have denied the United States diplomatic courier safe-conduct. Although the Argentine Government has ordered the granting of safe-conduct to this messenger in delivering his communication to the United States minister, the Argentine Commander-in-Chief refused to submit to the order. Thus, on June 17, 1869, the United States Secretary of State Fisher sent the following instruction to the United States Minister in Argentina, protesting against the action. Said Secretary Fisher: "The refusal under the conditions existing at the time was a particularly unfriendly act toward our Government. The object of a military or naval blockade is to prevent commercial intercourse with the enemy. Never has there been an instance so far as I am aware where the blockade had for its object the prevention of communications by a friendly neutral country with her diplomatic representative accredited to the government whose land was under blockade. Under such circumstances, the refusal of safe-conduct is rather rare. In cases of such a refusal, the country affected has the right to demand full explanations. Thus, the United States protests against the insubordinate act of the Argentine Commander-in-Chief, demanding that he be made to take full responsibility for his action, and in the absence of ample explanations, the United States expects that the United States Minister accredited to Paraguay would no more be subjected to any such restrictions."

Regarding Diplomatic Couriers

Both of these cases concerned the passage of diplomatic couriers. The first dealt with the question of granting passports to a diplomatic courier, the second with the question of safe-conduct. The first arose at the time of an internal revolution, the latter at the time of a blockade under conditions of war—really amounting to a siege. In the former case, the refusal to grant a passport was recognized as proper; in the latter case, the protest was lodged in the absence of justifiable reasons for the refusal of safe-conduct. Of course, in the latter instance, the order to give safe-conduct was given by the Argentine Government but it was repudiated by its Commander-in-Chief. These instances do not negate the right of communications by diplomatic representatives but reveal instances when the couriers have been denied passage under special circumstances.

In the light of these cases, the next question that must be examined is to what degree national law recognizes the special privilege of diplomatic representatives in so far as it relates to communications. First, there can be no question of the right under ordinary circumstances for the diplomatic representatives to communicate with their home country. This was recognized during the Paris siege and it is also clear from Bismarck's reply made on January 15, 1871.

In regard to the privilege of diplomatic representatives in sending their communications during a siege in wartime, there are two precedents. These were provided at the time of the siege of Paris and during the Argentine-Paraguay war. During the siege of Paris, the neutral diplomats there—particularly the United States—asserted their right to send communications. The Germans answered that the siege in wartime provided an exception and asserted from the standpoint of military necessity to restrict such a right. As ground for this attitude, Bismarck cited Vattel. The German position seems in the end to have been recognized. That is because, according to the United States Minister in Germany, the neutral countries did not strongly press their right in this respect while some diplomatic representatives in Germany supported the German stand. The United States which had lodged the strongest protest against Germany seems to have come around at last to recognize the justness of Germany's attitude. For, the United States Secretary of State's instruction on February 24, 1871 in which it was stated that the "President expects to pay proper consideration to the military necessity which is said to have caused the restriction of official communications of the diplomatic representatives" must be taken as a recognition of the right to restrict official communications of diplomatic agents in cases of military necessity.

Recognized During Seige

Thus, it would be proper to consider that the United States recognized the right of restricting communications of diplomatic representatives during a siege. And if that is the case, it can be said that in case of a siege the countries concerned generally recognized the restrictions imposed on their privilege to send communications.

In opposition to this is the Argentine-Paraguay case. Although concretely the main issue involved here was the question of safe-conduct of a courier—that is, the right to use diplomatic couriers—fundamentally this issue is one phase of the broad question of the right of diplomatic representatives to send communications. The problem arose because of the refusal of the Commander-in-Chief to abide by the order of the government to grant safe-conduct to the courier. In fact, the government by its action had recognized the right of communications in a siege. Thus, in one case in the event of a siege, it is recognized that the privilege of diplomatic representatives to send communications can be restricted but in the latter case, it is recognized that there will be no restrictions. In other words, these precedents contradict. To put these two decisions in a form of one rule would be difficult but the weight is on the side of the first principle, and it would be more correct to adhere to it. That is because after discussions among the interested parties at the time, there was general agreement in the end on the propriety of the first principle.

Finally, the question that must be taken up is the situation which would prevail in time of war or internal disorder. This problem came up at the time of the Colombian revolution. Concretely the issue was the refusal of Colombia to grant a passport to the United States diplomatic courier. At the time the United States recognized the justice of Colombia's position. According to the statement of the then Secretary of State, the restriction on communications is inevitable in view of the necessity of according proper consideration to the "safety of a State" during a revolution. However, this does not mean that the right to send communications itself was denied. It was purely a temporary restriction. In fact the problem then was not the general privilege of sending communications but the use of couriers and even here it was not the question of the general use of couriers but the use of special couriers under special circumstances. Although this case occurred at the time of a revolution, the case would not be altered in its essence even in time of a war.

Thus in time of a war or revolution, the general privilege of diplomatic agents in sending their messages is recognized while in time of a siege the restriction on communications is recognized.

From these facts, it should be clear that under international law the right of communications of diplomatic representatives is recognized. In cases of a siege, the restriction on communications is also generally recognized. But as was pointed out before, there are two cases dealing with this question and the weight of opinion is in favor of the conclusion reached in the Paris siege case.

In the light of these cases, it must be pointed out that the suspension of the diplomatic privileges by Britain did not take place under siege but purely in war. If Britain were under siege, the opinion in favor of restrictions on communications of diplomatic representatives might be applied but it is clear that this cannot be done. In her notice for the suspension of diplomatic privileges, it was stated that this special security measure was adopted in view of the "unprecedented circumstances created by military operations impending in the present year." Although this action was taken in view of the special military operations, the fact remains that, no matter how serious the situation was, it was taken merely under conditions of war. Thus it is clear that there was no legal justification for the action of the British Government.

One phase of the problem which must not be overlooked is the fact that the suspension of the diplomatic privileges was broad. Not only did it restrict the sending of sealed messages and code-telegrams but it also prohibited consular and diplomatic agents and officials from traveling. There has been no precedent for such a sweeping action. In the past, the restriction affected only sealed communications and code-telegrams. In this respect the action of the British Government is grave and sweeping. The illegality of the British action is all the more grave in view of the sweeping action they had taken.

(Note: On June 20, the British Government lifted its ban on the privileges of diplomatic representatives, with the launching of the landing operations on the coast of France which made this ban no longer necessary. But this does not alter the fact that the suspension of diplomatic privileges carried out for a month was absolutely illegal.)

VALUE OF CONTINENTAL SPHERE RE-EXAMINED

Northern Bloc Forms Inseparable Part of Japan's Economy

By KAZUO TAKEMURA

There has been a tendency to forget the importance of the northern continental economic sphere with the development of the South Sea region. Today, therefore, there has arisen a new need to reappraise the economic importance of the northern continental economic sphere which is contributing to the strengthening of the war efforts.

The significance of the northern continental economic sphere, from the standpoint of geopolitics and raw materials, does not fall below that of the Southern Regions. For instance, iron and coal as well as cotton and wool are to be found mostly in the northern sphere. Thus, from the viewpoint of strategic raw materials, it would be a fallacy to underestimate the importance of this sphere. This is particularly true when its geographical propinquity to Japan as well as the ample labor supply there for the economic and practical development of the resources are taken into consideration.

Frankly speaking, at the present time, the northern sphere, appraised from all angles, has a decisively important bearing on Japan's national economy. It might be said that the close economic ties of Chosen, Manchoukuo and China with Japan have a deciding effect in molding the special characteristics of the latter's economy.

Concretely, by the northern continental economic sphere is meant Chosen, Manchoukuo, North China and Mengchiang. It is an acknowledged fact that these four regions are very important to Japan's economy. That is, Chosen is an inseparable part of the Japanese economy. Its electrical industries, special mineral products, and surplus cereal are contributing greatly to Japan's economy. Likewise Manchoukuo is an important supplier, with her mining products contributing greatly toward the expansion of Japan's military strength.

Plays Important Role

That the role played by the resources of North China and Mengchiang in the war effort is just as large as that played by Chosen and Manchoukuo is well known, but today—looking at North China and Mengchiang from a different angle in the light of the present circumstances—there is a need to reflect once more on the importance of their role. In these two regions, peace and order is not as stabilized as in Manchoukuo, nor is the political power of these regions firmly entrenched; in these areas the Japanese Forces are still mopping up the resisting elements. Under these circumstances, therefore, the economic construction must be thought of as one phase of the military and political campaigns in that area. In this respect, the position of North China and Mengchiang differs greatly from that of Manchoukuo or Chosen.

Recently, the importance of North China and Mengchiang has increased greatly. But as the importance of the northern continental economic sphere increases in the construction of the Greater East Asia Common Prosperity Region, the greater is the effort made by the hostile elements in trying to thwart such economic construction. Of course, due to the presence of the Japanese Expeditionary Forces in China, the enemy plans are being frustrated. This shows how great is the effort being made by the Japanese Forces in the defense of the northern economic sphere.

Thus, the China Front bears great importance in the future development of the war. This will become clear when it is considered from the standpoint that when all China and Japan are united and when all the Chinese people extend wholehearted cooperation toward the liberation of East Asia from the clutches of the Anglo-Americans, the enemies will be deprived of a strategic foothold. Today, in North China and Mengchiang, the political activities merge with that of the military and the Japanese Forces are at present engaged in the task of defending the northern continental economic sphere which is an important pillar of the Greater East Asia Common Prosperity Region.

Becoming a Supply Base

Noth China's economy, with these political and military phases in the background, is marching ahead to the goal of becoming a supply base on the continent. Thus in discussing the degree of success achieved by the economy of North China, one must always keep in mind these political and military phases and look at the problem with a sense of broad understanding.

The economic role played by North China in the present war is in the production of iron, coal and alumina. Other than these, there are the salt of Shantung, and the wool of Mengchiang. The iron industry in North China has entered its most active stage with the transfer of small furnaces to the continent. At first, the experts were quite concerned about the problem of sending these small furnaces to the continent but these fears were completely unfounded, and the iron manufacturing industry is going ahead toward fuller production.

The establishment of the iron manufacturing industry will have the greatest influence on Mengchiang. The richest deposits of iron ore and special coal for iron manufacture are found in the areas under the control of the Autonomous Government of Mengchiang.

The economic goal of the Autonomous Government of Mengchiang since its establishment has been the construction of the heavy industry by making effective use of the Talung coal and Lungyen iron ore. We cannot but express our hope that with the establishment of the North China iron manufacturing industry the economy of Mengchiang which has been more or less feudalistic, possessing only agriculture, cattle raising and small light industries, will advance swiftly in the direction of building a modern heavy industry.

Similarly the production of alumina and Shangtung salt plays a great role in North China's' economy. This region is rich in aluminous shale, its quality being excellent and its quantity voluminous. Add to these advantages the fact that it is dug by the open-air mining method and that labor is ample and it will be easily seen how great are the posssibilities.

The industrial salt of Shantung Province is also of great importance in Japan's wartime economy, and its increased production in the future will surely be a strong factor in the development of North China's heavy chemical industries.

Of course, before North China and Mengchiang can contribute decisively to the war effort, it will be necessary for them to overcome certain difficulties, such as the rise in prices. Of course, the rise in commodity prices is to be seen in every country at war today but it is necessary to exert all efforts to peg the prices down to the minimum. It is necessary, for instance, to take measures to control the currencies issued by the North China Federal Reserve Bank and the Bank of Mengchiang in order to pave the way for increased production of goods.

Another important problem is that of foodstuffs. In view of the fact that the question of foodstuffs affects the livelihood of the people as well as their thoughts, it is necessary that all efforts be concentrated in this direction. Fortunately a definite and promising program for the solution of this problem has been provided for.

Another problem is that of commodity exchange between different areas. The smooth exchange of commodities between North and Central China will do a lot to solve the price problem. Commodity exchange between North China and Mengchiang and North China and Manchoukuo, though it is quite good at the present time, no doubt can be further improved.